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Ramesh Sudareswaran California Energy Commission 1516 Ninth Street Sacramento, CA 95814-5512

Re: Salton Sea Geothermal Power Plant (CEC Docket No. 02-AFC-02)

Dear Mr. Sudareswaran:

DANIEL L. CARDOZO

LONNIE FINKEL

TANYA A. GULESSERIAN

MARC D. JOSEPH KATHERINE S. POOLE

OF COUNSEL THOMAS R. ADAMS

ANN BROADWELL

We are writing on behalf of the California Unions for Reliable Energy ("CURE") regarding follow-up to the Phase I Environmental Site Assessment ("Phase I ESA")¹ for the Salton Sea Unit 6 ("SSU6") project site. To date, there is no information on whether the Phase I ESA was submitted to the Department of Toxic Substances Control ("DTSC") for review. In addition, although the Phase I ESA concluded that additional evaluation of four environmental conditions may be warranted, CE Obsidian Energy LLC ("Applicant") has failed to conduct a Phase II Environmental Site Assessment ("Phase II ESA") for the project site. Therefore, CURE urges the Commission to forward the Phase I ESA to DTSC for review and to request that the Applicant conduct a Phase II ESA at the SSU6 project site. As currently submitted, the lack of information on potentially hazardous conditions at the project site hinders the Commission and the public's ability to evaluate and mitigate SSU6's impacts on public health.

The Phase I ESA identifies a number of conditions that could result in significant impacts to public health, generally, and construction workers, in particular, that warrant additional analysis in the form of a Phase II ESA. Specifically, the Phase I ESA reveals evidence of four "recognized environmental conditions" in connection with the 160-acre SSU6 project site. A "recognized environmental condition" does not include de minimis conditions that do not present a material risk of harm to public health or the environment. (AFC, Appendix O, Phase I ESA, p. 1-1.) Therefore, a recognized environmental condition is a condition

¹ Phase I Environmental Site Assessment, Salton Sea Unit 6, Imperial County, CA, Prepared for MidAmerica Energy, URS, January 29, 2002. 1315a-083



that presents a material risk of harm to public health. In this case, the Phase I ESA identifies the following recognized environmental conditions:

- 1. Potential impacts from releases of hazardous materials to the ground from several exploratory and abandoned geothermal wells and three existing onsite geothermal wells, two of which are active production wells;
- 2. Potential impacts from historic application of organochlorine pesticides and chlorinated herbicides;
- 3. Potential impacts from unknown use of concrete slabs and chemical storage area with evidence of spills; and
- 4. Potential impacts from a burned area.

(Appx. O, pp. 5-1/2.) Thus, the Phase I ESA concludes that "additional evaluation of these areas may be warranted." (Appx. O, p. 5-2.)

CURE requested that the Applicant conduct a Phase II ESA that addresses the four environmental conditions recognized in the Phase I ESA. (CURE Data Requests, Set Two, No. 174.) The Applicant responded that "[t]he CEC will determine if additional information is required." (Response to CURE Data Requests, Sets Two and Four, Nos. 174 and 312.) Thus, although additional evaluation of potentially significant hazards is warranted, the Applicant, to date, has not conducted a Phase II ESA.

No justification exists to delay the preparation of a Phase II ESA to conduct further evaluation of hazardous conditions on the SSU6 project site. The Applicant declined to evaluate any of these conditions, beyond the cursory identification of hazardous conditions that present a material risk to public health, arguing that soils would not be exported, no hazardous substances have been released, and elevated pesticides are likely present in surrounding areas. (AFC, p. 5.13-2.) However, the Applicant provided no evidence regarding the release of hazardous substances. In addition, the presence of elevated pesticides elsewhere in Imperial County does not justify the Applicant's failure to evaluate the presence of such hazardous substances on the project site. Most importantly, this ignores the potential impact of contaminated soils on construction workers, especially those engaged in site preparation. Lands that were farmed before organochlorine pesticides and chlorinated herbicides were banned, as is the case here, frequently 1315a-083

contain elevated concentrations of these pesticides that are high enough to pose a significant health risk to exposed construction workers. Thus, it is prudent to characterize those soils that workers will be exposed to and evaluate them for potential health risks by preparing a Phase II ESA.

Finally, CURE requests that the Commission submit the Phase I ESA and any subsequent site assessments to DTSC for review and comment, pursuant to the Memorandum of Understanding between the Commission and DTSC.² On December 4, 2002, CURE asked the Applicant whether the Phase I ESA had been submitted to DTSC for review. (CURE Data Request, Set Two, No. 172.) The Applicant responded that the Phase I ESA had not been submitted to DTSC and that "[t]he CEC staff will forward the appropriate information to the DTSC for review." (Id.) To date, CURE has not received any subsequent information on the matter. Thus, if the Commission submitted the Phase I ESA to DTSC, we request copies of any written comments on the document.

In sum, without further evaluation of the potential impacts from hazardous environmental conditions on the SSU6 project site, the decisionmakers and the public will be unable to determine whether the proposed SSU6 project will have significant impacts on public health and whether those impacts will be mitigated. Thus, the Commission should not delay the preparation of a Phase II ESA and must request that DTSC review the Phase I ESA and any subsequent site assessments in this case.

Thank you for your attention to this matter.

Sincerely,

Tanya A. Gulesserian

TAG:bh

cc: Electronic Proof of Service List 02-AFC-02

² Memorandum of Understanding Between The California Energy Commission Staff and the California Department of Toxic Substances Control Regarding Energy Facility Site Certification and Compliance Monitoring, April 10, 1997, (CEC MOU # 700-96-103). 1315a-083